

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2012-19-G

February 1, 2012

Billy Ross Caton, Jr.)
Petitioner/Complainant,)
v.)
Piedmont Natural Gas Company, Inc.)
Respondent/Defendant.)

SETTLEMENT AGREEMENT

This Settlement Agreement is made by and between Billy Ross Caton, Jr., Petitioner, and Piedmont Natural Gas Company, Inc. ("Piedmont" or the "Company"), Respondent. The South Carolina Office of Regulatory Staff ("ORS"), a statutory party of record, has no objection to this Settlement Agreement, and pursuant to S.C. Code Ann. § 58-4-50 (A)(9) (Supp. 2010), acted as a facilitator to this Settlement Agreement. Mr. Caton and Piedmont are together referred to as the "Parties" or sometimes individually as "Party".

WHEREAS, Mr. Caton filed a Complaint with the Public Service Commission of South Carolina (the "Commission") on January 4, 2012, regarding Piedmont's Residential Service – Value Rate;

WHEREAS, the Commission, pursuant to the provisions of S.C. Code Ann. § 58-5-270 (Supp. 2010), is vested with the power to hear individual consumer complaints regarding the reasonableness of any rates or charges of the public utility;

WHEREAS, Piedmont, upon reviewing the current Residential Service – Value Rate, determined that Rate Schedule 201 applies to all residential customers whose usage in either of the cycle billing months of July and August is equal to or greater than 15 therms;

WHEREAS, Piedmont denies all other allegations of the Complaint;

WHEREAS, ORS acted as a facilitator in this dispute and has no objection to Commission approval of this Settlement Agreement;

WHEREAS, the Parties and ORS have varying legal positions regarding the issues in this case;

WHEREAS, following the filing of the complaint the Parties, with the assistance of ORS's facilitation, engaged in discussions to determine if a settlement of the issues would be in their best interests;

WHEREAS, following those discussions the Parties have determined that their interests would be best served by stipulating to a settlement of all issues pending before the Commission in the above-captioned case under the terms and conditions set forth herein; and

WHEREAS, ORS acknowledges that if the within settlement is approved by the Commission, such settlement will resolve any issues ORS may have with respect to the subject matter of the instant docket.

NOW, THEREFORE, the Parties hereby stipulate and agree to the following terms, which, if adopted by the Commission in its Order, will result in the Complainant and other similarly situated customers, being included within the Rate Schedule 201, Residential Service – Value Rate; therefore, resolving the Complaint in this matter.

1. The Parties stipulate and agree that the Company's Tariff will be amended by the Company, subject to Commission approval, to include as Value Rate residential customers, customers such as Mr. Caton, who operate a tankless natural gas water heater but who do not otherwise meet the usage threshold of 15 therms in either the months of July and August.

2. Piedmont agrees to notify those customers, who participated in the Tankless Water Heater Rebate Program as a part of the Energy Efficient Equipment Program that became effective in 2009, of the change in the tariff if approved by the Commission. For those residential customers who are unidentifiable, the Company shall attempt to notify those customers by a method, agreed upon by Piedmont and ORS.

3. Mr. Caton acknowledges that he has had the opportunity to obtain counsel and has chosen to represent himself *pro se* in this matter. He acknowledges, understands and agrees that this Settlement Agreement is binding and is a full resolution of all issues pending before the Commission in this docket.

4. The Parties agree to advocate that the Commission accept and approve this Settlement Agreement in its entirety as a fair, reasonable and full resolution of the above-captioned proceeding and to take no action inconsistent with its adoption by the Commission. The Parties further agree to cooperate in good faith with one another in recommending to the Commission that this Settlement Agreement be accepted and approved by the Commission. The Parties agree to use reasonable efforts to defend and support any Commission order issued approving this Settlement Agreement and the terms and conditions contained herein. This Settlement Agreement is not confidential and no Party is prohibited from referring to this Settlement Agreement.

5. If the Commission should decline to approve the Settlement Agreement in its entirety, then any Party desiring to do so may withdraw without penalty or obligation.

6. This Settlement Agreement shall be interpreted according to South Carolina law.

7. Notwithstanding any provision contained in this Settlement Agreement, Mr. Caton reserves his right to appear before or otherwise participate in proceedings on any other

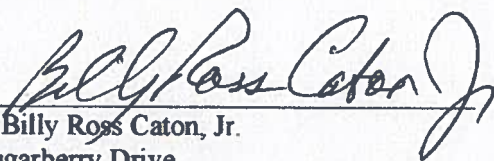
issues beyond those raised in this docket and resolved in this agreement that affect or involve Piedmont.

8. Each Party and/or its legal counsel have reviewed and participated in the drafting of this Settlement Agreement. No rule of construction requiring interpretation against the drafting Party hereof shall apply in the interpretation of this Agreement.

9. The above terms and conditions fully represent the agreement of the Parties hereto. Therefore, each Party acknowledges its consent and agreement to this Settlement Agreement by affixing its signature or by authorizing its counsel to affix his or her signature to this document where indicated below. Counsel's signature represents his or her representation that his or her client has authorized the execution of the agreement. Facsimile signatures and e-mail signatures shall be as effective as original signatures to bind any party. This document may be signed in counterparts, with the various signature pages combined with the body of the document constituting an original and provable copy of this Settlement Agreement. The Parties agree that in the event any Party should fail to indicate its consent to this Settlement Agreement and the terms contained herein, then this Settlement Agreement shall be null and void and will not be binding on any Party.

SIGNATURE PAGES FOLLOW

I AGREE:

A handwritten signature in black ink, reading "Billy Ross Caton, Jr.", written over a horizontal line.

Mr. Billy Ross Caton, Jr.

6 Sugarberry Drive

Greenville, South Carolina 29615

Email: rshoes@aol.com

WE AGREE:

Representing Piedmont Natural Gas Company, Inc.



Jeremy C. Hodges

Nelson Mullins Riley & Scarborough, LLP

Post Office Box 11070

Columbia, South Carolina 29201

Phone: 803-255-9766

Fax: 803-255-9164

Email: jeremy.hodges@nelsonmullins.com

WE DO NOT OBJECT TO AND ACKNOWLEDGE THE EFFECT OF THIS SETTLEMENT:

Representing the Office of Regulatory Staff

Nanette S. Edwards

Nanette S. Edwards, Esquire

South Carolina Office of Regulatory Staff

1401 Main Street, Suite 900

Columbia, South Carolina 29201

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OF SOUTH CAROLINA
DOCKET NO. 2012-19-G

IN RE:	Billy Ross Caton, Jr., Complainant/Petitioner)	
	v. Piedmont Natural Gas Company,)	CERTIFICATE OF
	Incorporated, Defendant/Respondent)	SERVICE
)	

This is to certify that I, Faith E. Shehane, have this date served one (1) copy of the **SETTLEMENT AGREEMENT** in the above-referenced matter to the person(s) named below by causing said copy to be deposited in the United States Postal Service, first class postage prepaid and affixed thereto, and addressed as shown below:

Billy Ross Caton, Jr.
6 Sugarberry Drive
Greenville, SC, 29615

Jeremy C. Hodges, Esquire
Nelson Mullins Riley & Scarborough, LLP
Post Office Box 11070
Columbia, SC, 29201



Faith E. Shehane

February 1, 2012
Columbia, South Carolina